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SIEMENSEric A. Spiegel
President and CEO

November 19, 2010

Honorable Hillary Rodham Clinton
 Secretary of State
 U.S. Department of State
 2201 C Street, N.W.
 Washington, DC 20520

Dear Secretary Clinton,

I am writing with regards to the proposed Keystone XL pipeline that will extend from Canada to Texas. In particular, I would like to respectfully request that the Secretary of State's office complete the environmental assessment of the impact of the Keystone XL Pipeline and that you initiate the National Determination review period in order that a Presidential Permit might be approved.

While we may look forward to a future of more diversified energy sources, for the foreseeable future, our dependency on fossil fuels is expected to continue. According to the US Energy Information Agency, the United States imports 12-14 million barrels per day and consumes 16-18 million barrels per day. The U.S. relies on oil imports and Canada provides a friendly, geographically close, secure supply of oil that is safer than crude oil from other regions of the world.

In creating greater energy independence, the proposed Keystone XL pipeline will also create thousands of manufacturing and construction jobs. As a shovel ready project, Keystone XL's potential economic impact during the construction period will stimulate \$20 billion in new spending and spur the creation of 13,000 high-wage construction and manufacturing jobs in multiple states during the project's 2011-2012 construction schedule. Some of these high wage manufacturing jobs will come to Siemens manufacturing facility in Norwood, Ohio. We recently invested more than \$30 million to overhaul the 100 year old plant that employs more than 300 people.

These employees, and the hundreds more that will join them, will build the energy efficient electric motors to drive the pumping stations along the pipeline. These electric motors will reduce the energy intensity of the overall operation and thus the greenhouse gas emissions when compared to pipeline projects that use gas turbines located at each pump station. In the last four years, Siemens has invested more than \$400 million and created more than 3,000 green manufacturing jobs in the U.S. alone. We have a long-standing commitment to environmentally sustainable technologies and are ranked #1 in our categories on both the Dow Jones Sustainability Index and the Carbon Disclosure Project. Our future partner in this endeavor, TransCanada, also has an established record as a trusted environmental steward with a prominent ranking on the Dow Jones and Global 100 lists.

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Much of the criticism opposing the expansion of the Keystone XL pipeline suggests that if this project doesn't go ahead the amount of oil used in the U.S. will diminish. According to the Energy Information Administration, petroleum fuels will remain the largest energy source worldwide for decades to come. By permitting and constructing Keystone XL, the State Department's decision may have an impact on demand, but only a very indirect effect. Global supply and demand and global oil prices, among other market forces, have a far greater impact than the permitting and operation of Keystone XL will ever have. Additionally, among the nations that are the leading suppliers of crude oil to the U.S. -- Saudi Arabia, Venezuela, Nigeria, Iraq, Angola, Algeria and Canada -- only Canada regulates greenhouse gas emissions. As you know, Canada and the United States are working together to reduce greenhouse gas emissions by 17% as part of the Copenhagen summit. In addition, total greenhouse gas emissions from the oil sands industry are equivalent to 0.1 per cent of global greenhouse gas emissions. Canada will meet its commitment of reducing greenhouse gas emissions by 17% by closing all coal fired electric generation fleet. And our future partner, TransCanada, is not involved in oil sands extraction or production.

As the U.S. works to develop a comprehensive energy and environmental policy that addresses climate concerns, ensures adequate supplies of reliable energy, promotes energy independence and improves our national security, the Keystone XL project can serve as a valuable intermediate step, while creating thousands of jobs.

Thank you for your time and attention to this matter.

Sincerely,

Eric A. Spiegel

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